

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple - Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940

ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I. General Information

1. Report Time Period: From (mo./yr.) 01/04 To (mo./yr.) 12/04
2. DOGM File Number (Mine No): S / 27/ 010
3. Mine Name: Snowflake Property
4. Mineral(s) Mined (or permitted to mine): Perlite
5. Type of mine ☒ Surface Mine or ☐ Underground Mine
6. Legal Description (Location of Lands Affected):
1/4, 1/4, 1/4, Section 23, Township 23S, Range 9W
1/4, 1/4, 1/4, Section 26, Township 23S, Range 9W
1/4, 1/4, 1/4, Section, Township, Range
7. Name of Operator or Company: Basin Perlite Company
8. Permanent Street Address: P.O. Box 490, 533 S. Industrial Loop Road
City, State, Zip: Milford, UT 84751
Phone: (435) 387-2100 Fax: (435) 387-2403
9. Company Representative (or designated operator):
Name: Timothy L. Hall
Title: President
Business Address: P.O. Box 490
City, State, Zip: Milford, UT 84751
Phone: (435) 387-2100 Fax: (435) 387-2403
☐ Please check if any of the above information has changed since previous year.

II. Mining and Reclamation

1. Was there any mine related activity during the past year? Yes ☐ No ☒
2. If no - what was the last year of activity? _____
3. If yes - how much ore or mineral was mined? _____

3/31/05
RECEIVED
MAR 24 2005
DIV. OF OIL, GAS & MINING

4. Briefly describe the type of work performed, volume of material moved, and any new or additional surface disturbances that occurred during the past year.

Site Visits

5. How much **additional acreage** was disturbed during the past year? None

6. How much acreage was **reclaimed** during the past year? None

7. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.

8. What is the **total** disturbed acreage of entire project at years end? < 1 Acre

9. Briefly summarize any mining and/or reclamation plans for the upcoming year.

None

NOTE: Section III., "Additional Information" applies only to **large mining operations**.

III. Additional Information - R647-4-121.2 and .3

1. The operator shall include an updated map depicting surface disturbance and reclamation performed during the year, prepared in accordance with Rule R647-4-105.
2. The operator shall keep and maintain timely records relating to his performance under the Act, and shall make these records available to the Division upon request.

IV. Signature Requirement

I hereby certify that the foregoing is true and correct.

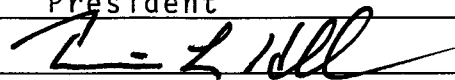
Name (Typed or Print):

Timothy L. Hall

Title of Operator:

President

Signature of Operator:



Date:

March 22, 2005



M/001/027
S/027/010

March 22, 2005

Darron R. Haddock
Permit Supervisor
1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801

Dear Darron:

Please excuse the timeliness of your request for our annual report. I explained to Tom Munson that Basin Perlite Company is in the process of being purchased and this has occupied a lot of my time. Hopefully this process will be completed in the next two months. I am sure the new owner will be in touch.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tim Hall', followed by a horizontal line.

Tim Hall
President

RECEIVED

MAR 24 2005

DEPT. OF OIL, GAS & MINING